

REMARKS

Claims 1-21 are pending in the application and stand rejected. Claims 1, 10-12 and 19-21 are currently amended.

Rejection of Claims 1 and 12 Under 35 U.S.C. 112 second paragraph

Claims 1 and 12 are currently amended and the amendments fully address the Examiner's rejections.

Rejection of Claims 1-4, 12-13 and 21 Under 35 U.S.C. 103(a) As Being Unpatentable Over Franklin and Lapsley and Further In View of Benton

Claim 1

Claim 1 recites, in pertinent part, creating multiple sets of unique account data on an administrator system and transmitting the unique account data to a buyer system and a seller system prior to each transaction.

For example, referring, *e.g.*, to FIGS. 1 and 2A, page 2, line 35 to page 3, line 1, and page 4, lines 1-2, an administrator system 26 creates multiple sets of unique account data (UAD) that are sent to buyer and seller systems 22 and 24 before a transaction occurs between a buyer and seller. One set of UAD is sent to the buyer system 22 and another set of UAD is sent to the seller system 24. Application programs located on the buyer and seller system 22 and 24 take a sample of the respective UADs.

In contrast, Benton fails to teach or suggest creating multiple sets of unique account data on an administrator system and transmitting the unique account data to a buyer system and a seller system. Benton uses a card inserted in a machine and therefore does not allow for receiving unique data or the storage of data on its system. Benton further does not require an administrator as admitted by the Examiner, and therefore it would not be obvious to one skilled in the art to use a Benton system to create unique data at an administrator system or to transmit that unique data on a per transaction basis to the buyer system and the seller system.


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Franklin is cited for the proposition that it discloses sending the first set of generated sample data and the second set of generated sample data to an administrator system when the comparison is positive. Franklin in (fig 7; col. 2, lines 45-65) only has a merchant transmit data. This data is not the merchant's data, because the merchant or seller has not created any data in Franklin. Further Franklin requires a card and a software module that are not required and in fact teach away from the disclosure claimed herein.

The applicant suggests that Claim 1 is now patentable over the cited references.

Claims 12 and 21

Claims 12 and 21 are patentable for reasons similar to those discussed above with reference to Claim 1.

Claims 2-4 and 13

Claims 2-9 and 13-18 are patentable by virtue of their respective dependencies from Claims 1 and 12.

Rejection of Claims 10-11 and 19-20 Under 35 U.S.C. 103(a) As Being Unpatentable Over Benton in view of Franklin and Bush and in further view of Appleton

Referring to Bush, Bush requires a physical card, a pin code and a terminal. Bush in fact uses a five number code based on a static matrix that does not change. Appleton requires a physical card, with holes punched in it, and a physical card reader. The card reader reads the card and in combination with an entered pin unlocks the use of the card. Benton requires a fax machine with *two* entered cards containing a "chip." Franklin uses an online commerce card to identify a consumer.

The Examiner is reminded that an Examiner may not pick and choose among individual elements of assorted prior art references to recreate the claimed invention absent some teaching or suggestion in the references to support the use in the particular claimed combination; *Bausch & Lomb, Inc. v. Barnes-Hind/Hydrocurve, Inc.* (1986) a reference should be considered as a whole. *In re Mahurkar Patent Litigation*, 831 F.Supp. 1354 (N.D. Ill. 1993), aff'd 71 F.3d 1573

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(Fed. Cir. 1995) unless the prior art *itself* suggests the particular combination, it does not show that the actual invention was obvious.

A static physical card that requires a pin to decipher a matrix punched into a card teaches away from an online card with no physical characteristics. A card with holes inserted in a card reader teaches away from a physical card with a chip, and in fact a reader that reads holes cannot read a physical card with a chip. Finally all references require data entry from the user wherein the disclosed system does not require data from the user.

Conclusion

In view of the preceding, all pending claims stand in condition for allowance, and a Notice of Allowance for same is respectfully requested. **If the Examiner disagrees with the Applicant's positions as stated in this paper, the Examiner is respectfully requested to contact the undersigned to arrange a telephone conference prior to issuing an Office Action rejecting any of the pending claims.**

Respectfully submitted,
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